



With his company's financial institution suggesting closure and liquidation and a fresh job opportunity in New Mexico calling, Bob Frayser had some critical decisions to make for himself and the Lisbon Valley Mining Company, an important employer in one of the country's poorest counties. With the help of the Blanding Small Business Development Center, Frayser took a chance and turned the mine around, saving and reclaiming numerous jobs in the process. Constructed in 2004-05 by Constellation Copper, the Lisbon Valley Mine found itself in trouble by late 2007 and projecting closure in 2009. By early 2009, the mine was down to 35 employees with its note holders ready to pull the plug.

Frayser, the company's general manager with a 27-year mining career, heard about the Blanding SBDC from an employee that was an SBDC client. Frayser visited the center and discussed the situation with Buddy Redd, the center's assistant director. Together they took action to resuscitate the mine, which included finding new investors and working through a chapter 11 bankruptcy reorganization.

Frayser developed a new mine plan that optimized the pit design, eliminated a costly and ineffective crushing circuit, resized the mine fleet, and modified the mine's drilling and blasting function. Restructuring of management functions contributed to better department performance and lower costs. Frayser's team cut the cost per ton of mining ore by almost one-half.